SENATE BILL REPORT SB 5568

As of January 23, 2018

Title: An act relating to freezing tuition at institutions of higher education.

Brief Description: Freezing tuition at institutions of higher education.

Sponsors: Senators Liias, Palumbo, Frockt, Ranker, Wellman, McCoy, Kuderer, Conway, Cleveland, Nelson, Billig, Hunt, Hasegawa, Keiser and Chase.

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/23/18.

Brief Summary of Bill

• Freezes resident undergraduate tuition at 2017-18 levels at the public institutions of higher education in academic year 2018-19.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Staff: Alicia Kinne-Clawson (786-7407)

Background: <u>Tuition-Setting Authority</u>. In 2011, the Legislature enacted E2SHB 1795, the Higher Education Opportunity Act, which provided four-year institutions the authority to set tuition rates for resident undergraduate students through the 2014-15 academic year. In 2012 and again in 2013, the Legislature suspended the authority to charge resident undergraduate students differential tuition rates in the operating budgets. This suspension remained in effect for the remainder of the 2013-15 biennium.

College Affordability Program. In 2015, the Legislature enacted 2ESSB 5954, the College Affordability Program, which reduced resident undergraduate tuition at the public institutions of higher education for the 2015-17 biennium and permanently removed undergraduate tuition-setting authority. In fiscal year 2015-16, resident undergraduate tuition at all public colleges and universities was reduced by 5 percent. In 2016-17, resident undergraduate tuition at the public regional universities and the Evergreen State College was reduced by 20 percent and resident undergraduate tuition at the public research universities was reduced by

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15 percent. Beginning in the 2017-19 biennium tuition is authorized to increase by the average annual growth rate in median hourly wages.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): Tuition for resident undergraduates at the public institutions of higher education is frozen at the 2017-18 levels for academic year 2018-19.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The state's volatility in tuition policy since 2007 has driven part of the student loan crisis. This is another tool to improve college affordability. Now is the time to hold the line and keep tuition flat. We understand that tuition costs represent a barrier to students. Please consider that the institutions do need the money from the currently budgeted tuition increase as it has been partially committed to salary increases. The state has made positive investments in higher education affordability through the tuition reduction and new investments in the state need grant.

OTHER: Tuition and the state budget are inextricably linked as they represent the major fund sources for instruction. There has been constant churning in tuition policy. It is important to maintain a stable and predictable higher education funding model. The current tuition policy has not kept pace with the rising costs of instruction, particularly as students increasingly choose higher cost majors. Any tuition freeze will need to be accompanied by state funding in order to maintain instructional quality.

Persons Testifying: PRO: Senator Marko Liias, Prime Sponsor; John Boesenberg, State Board for Community and Technical Colleges; Guillermo Rogel, Washington Student Association.

OTHER: JoAnn Taricani, University of Washington Faculty Senate; Paul Francis, Council of Presidents; Joe Dacca, University of Washington, Director, State Relations; Ernie Tao, Associated Students of the University of Washington.

Persons Signed In To Testify But Not Testifying: No one.